

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF IOWA**

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In re:

MERCY HOSPITAL, IOWA CITY, IOWA, *et al.*,

Debtors.

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)  
) Chapter 11  
)  
) Case No. 23-00623 (TJC)  
)  
) Jointly Administered  
)  
) **Related to Docket No. 259**

**STAFFING REPORT OF TONEYKORF PARTNERS, LLC FOR  
THE PERIOD FROM JUNE 1, 2024 THROUGH JUNE 24, 2024**

In accordance with the *Order Authorizing Debtors to Retain ToneyKorf Partners, LLC as Interim Management of the Debtors, Effective as of the Petition Date Pursuant to Section 363 of the Bankruptcy Code, and Granting Related Relief* [Docket No. 259] (the “Retention Order”) and pursuant to the terms of the engagement letter dated March 30, 2023 (the “Engagement Letter”), ToneyKorf Partners, LLC (“ToneyKorf Partners”) hereby submits its staffing report (the “Staffing Report”) for the period of June 1, 2024 through June 24, 2024 (the “Staffing Period”), and in support of such report respectfully represents:

1. The Debtors appointed Mark E. Toney to serve as the Chief Restructuring Officer, James R. Porter to serve as the Chief Financial Officer, and Christopher P. Karambelas to serve as the Chief Information Officer and Chief Operating Officer as set forth in the Engagement Letter. The Engagement Letter further states that ToneyKorf Partners will provide additional personnel to assist Mr. Toney, Mr. Porter, and Mr. Karambelas with the restructuring efforts and other business of the Debtors (the “Temporary Staff”), as set forth more fully in the Engagement Letter.

2. The Retention Order provides that ToneyKorf Partners shall file with this Court a report of staffing on the engagement for the previous month and provide notice to the U.S. Trustee

and any official committee. *See* Retention Order, ¶ 3(c). Such report shall include the names of and functions filled by the individuals assigned. *See id.*

3. Attached hereto as **Exhibit A** is a list which includes the names of the ToneyKorf Partners personnel serving the Debtors during this Staffing Period, along with their corresponding functions.

Dated: July 22, 2024

/s/ Mark E. Toney

Mark E. Toney  
Senior Managing Director  
ToneyKorf Partners, LLC

**EXHIBIT A**

**ToneyKorf Partners, LLC  
Staffing Report  
June 1, 2024 – June 24, 2024**

<b>Professional</b>	<b>Title</b>	<b>Function</b>
Mark Toney	Senior Managing Director	<ul style="list-style-type: none"> <li>– Chief Restructuring Officer</li> <li>– Oversees and leads aspects of the Debtors’ wind-down and post-sale operations</li> <li>– Supports governing bodies (Boards) of the Debtors and affiliates</li> <li>– Leads the restructuring, asset sales, liability assessments, and planning of the Debtors</li> <li>– Reviews and assesses the liquidation analysis, waterfalls, and potential distributions to creditors per the Plan</li> <li>– Participates in the court hearing regarding Plan objection</li> <li>– Assists counsel with objections and litigations by objecting party</li> <li>– Reviews and directs asset recovery and administrative claims analysis</li> <li>– Oversees and reviews cash management for disbursements and uses of cash for allocation between items pre- and post-transaction and the responsible party for the payments</li> <li>– Oversees communications between the Debtors and certain key stakeholders</li> <li>– Continues transition planning to hand over operations and bankruptcy matters post-confirmation to Liquidating Trustee and Pension Committee (for the DBP)</li> </ul>
James Porter	Managing Director	<ul style="list-style-type: none"> <li>– Chief Financial Officer</li> <li>– Manages the Debtors’ financial and treasury functions, including coordinating cash flow efforts, overseeing budget and actual cash flow, and other needs as necessary</li> <li>– Provides oversight of bankruptcy reporting</li> <li>– Oversees, plans, and assists with certain aspects of the Debtors’ wind-down and post-sale operations, including accounts receivable collections and executing on the transition of revenue cycle management, billing, and follow-up vendors</li> <li>– Oversees communication with Bondholders’, Unsecured Creditors’, and Pension Committee advisors and participates in subsequent discussions with the same parties regarding the Plan of Liquidation and Disclosure Statement</li> <li>– Analyzes Plan of Liquidation potential distributions and assists CRO with strategy and interest of various stakeholders</li> <li>– Serves as the liaison with UI (Buyer) on transitional services and related agreement</li> <li>– Continues transition planning to hand over operations and bankruptcy matters post-confirmation to Liquidating Trustee, including budgets, cash flows, and related reports</li> </ul>

Professional	Title	Function
Christopher Karambelas	Managing Director	<ul style="list-style-type: none"> <li>– Chief Information Officer / Chief Operating Officer</li> <li>– Addresses bankruptcy-related contractual obligation issues with vendors</li> <li>– Oversees the transition of legacy IT data from the Buyer in accordance with the Transition Services Agreement</li> <li>– Continues transition planning to hand over operations and bankruptcy matters post-confirmation to Liquidating Trustee, including emails and related data</li> </ul>
Peg Brubaker	Director	<ul style="list-style-type: none"> <li>– Vice President of Human Resources</li> <li>– Oversees wind-down of human resources functions</li> <li>– Oversees wind-down of benefit plans, including the defined benefit retirement plan, termination of the 401(k), and 403(b) plans, health and dental insurance, and workers' compensation</li> <li>– Responds to defined benefit pension inquiries, provides and processes pension commencement requests</li> <li>– Verifies and updates demographic data for defined benefit pension valuation</li> <li>– Continues transition planning to hand over operations and bankruptcy matters post-confirmation to Liquidating Trustee, Pension Committee, and Agilis, the Pensions Committee selected Administrator</li> </ul>
Jamy Houck	Director	<ul style="list-style-type: none"> <li>– Manager of Administration and Communications</li> <li>– Finalizes the monthly invoice for May 2024, the staffing report for May 2024, and the Compensation Report for April and May 2024</li> </ul>
Kara Borodkin	Paraprofessional	<ul style="list-style-type: none"> <li>– Treasury and Finance Manager</li> <li>– Supports cash and liquidity management activities, including assisting with the preparation and maintenance of debtor-in-possession cash flow forecasts and variance analyses and monitoring compliance with cash collateral requirements</li> <li>– Prepares various weekly, monthly, and ad hoc financial and operational reports, including bankruptcy MOR filings, budgeting, and cash flow reports, and assists with due diligence requests from other parties, including the UCC's financial advisors, Bondholder's advisors, and Pension Committee's advisors</li> <li>– Works on Estate wind-down and bankruptcy administration items, including §503(b)(9) claims review, vendor administrative expense reconciliations, and works with counsel on the same</li> <li>– Continues transition planning to hand over operations and bankruptcy matters post-confirmation to Liquidating Trustee</li> </ul>